



## Crowdfunding.... Could it work for me?

Crowdfunding is asking a crowd of people to donate a defined amount of money for a specific cause or project in exchange for various rewards usually within a limited time period. It is a way of fundraising online. It's not new; war memorials, plaques and benches have been funded by donations from communities for centuries. But social media allows perfect conditions for crowdfunding as a fundraising tool. It's similar to the general public pledging their support via donations but in return for a donation (or pledge) you return a reward to that supporter.

### What are the advantages?

Voluntary groups or charities are most likely to use the second category and can find it useful as Crowdfunding platforms allow you to market your project, generate interest, and receive funds, any backers can provide useful feedback about your project and once you get a solid base of support, there is no limit to the amount of projects you can fund.

Crowdfunding is not limited to a certain kind of project, there is no discrimination... Only great ideas! Crowdfunding can be fast, efficient, and effective if done right. There can be little risk involved compared to other business ventures and the more creative and fun you are, the more likely you'll get funded.

A wider audience for your could include individuals you wouldn't usually have contact with as well as companies who have funds to support crowdfunding projects online. There organisations funding Crowdfunder projects who collectively have match funded over **£1 million** available to support projects on crowdfunder.couk.

### What are the disadvantages?

Crowdfunding your project exposes your ideas to potential copycats. Platforms may limit the amount of funds you can receive. Regulations and taxation can be difficult to work with. For instance you could receive pledges totalling 90% of the funding you are seeking but depending on how your crowdfunding was set up without receiving pledges for the full amount you could receive none of the money at all.

### Rewards?

Using rewards is a powerful tool as supporters are much more likely to support a project knowing they get something back as well as their money going to a good cause. Supporters also back at a higher level (the average pledge is £50), and are much more likely to share a project with their own networks (and thus amplifying your supporter base) because it's not just a straight up ask for money.

### How do I create a crowdfunding project?

Here's how to get started....



## Launch Your Project

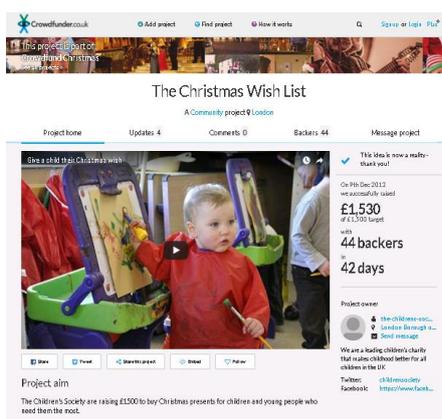
Launching your project is a big moment - crowdfunding has launched projects with a party, lined up large pledges to showcase early support for their campaign or by sending personal messages to supporters. When you begin;

- Get your influencers ready to support you before it goes live
- Contact your database to say you are launching a crowdfunding project
- Showcase your project with a launch event - invitations tell people it's coming
- Build a plan of how you will promote the campaign throughout it
- Contact people with personal messages - you're asking for money so take time to engage with people personally beforehand.

## Tips for telling your story with a great video

Crowdfunding videos are a great way of telling your story by being creative and engaging whilst giving a direct ask. It's a way of letting everyone know what you want to achieve and inspiring people them to pledge. Here's some top tips;

- Have a story
- Tell people about your organisation and why it needs the money
- Give yourself lots of time to try various things
- Search out any expertise to help
- Keep it short, to the point, clear and concise
- Find the human story - who will benefit and how. Could beneficiaries tell it?
- Use real people in your video and have them tell your story
- Be yourself and show the crowd why you believe in the project
- Don't overthink it, have a rough script, ad-lib and speak from the heart.



Visit [crowdfunder.co.uk](http://www.crowdfunder.co.uk) for inspiration, pick projects you would and would not support and to see what works well. Visit <http://www.crowdfunder.co.uk/wishlist> to see the Children's Society who raised £1500 to buy Christmas presents for children and young people who need them the most as a starting point.

To find out more and/or sign up for our training session in February email our Funding Development Officer using [gcartwright@savs-southend.co.uk](mailto:gcartwright@savs-southend.co.uk).